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DE RUEHIN #3871 3190907
ZNR UUUUU ZZH

R 150907Z NOV 06
FM AIT TAIPEI
TO RUEHC/SECSTATE WASHDC 3043
INFO RUEHBJ/AMEMBASSY BEIJING 5932
RUEHHK/AMCONSUL HONG KONG 7151

UNCLAS AIT TAIPEI 003871

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DEPARTMENT FOR INR/R/MR, EAP/TC, EAP/PA, EAP/PD - DAVID FIRESTEIN
DEPARTMENT PASS AIT/WASHINGTON

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E.O. 12958: N/A
TAGS: [OPRC](#) [KMDR](#) [KPAO](#) [TW](#)
SUBJECT: MEDIA REACTION: APEC

Summary: Taiwan's dailies gave significant coverage November 15 to Taipei Mayor Ma Ying-jeou, who was questioned by the prosecutors Tuesday over alleged misuse of his special mayoral expense fund. News coverage also focused on the two DPP legislators, who announced their resignation effective this week in protest of the party's handling of the corruption scandal implicating President Chen Shui-bian and his wife; and on the year-end Taipei and Kaohsiung mayoral races. In terms of editorials and commentaries, the pro-independence "Liberty Times," Taiwan's largest-circulation daily, is the only paper that editorialized on the upcoming APEC leaders' summit. The paper said the United States' proposal of signing a "Free Trade Agreement of Asia and the Pacific" and Japan's proposal of an "Economic Partnership Agreement" for East Asia should be interpreted as their reactions to and challenge against the "ASEAN plus one" and "ASEAN plus three" free trade area directed by China. End summary.

"Market Is Available Everywhere As Long As Taiwan Befriends the World"

The pro-independence "Liberty Times" [circulation: 600,000] editorialized (11/15):

"The leaders' summit of the 2006 APEC meeting, the focus of world attention, will be held on November 18. The United States has recently made an open proposal to sign a "Free Trade Agreement of Asia and the Pacific" among all APEC members. Not long ago, the Ministry of Economics of Japan also proposed the Japanese version of an "Economic Partnership Agreement" for East Asia. We believe that the moves by Japan and the United States at this moment can be interpreted as their reactions to and challenge against the 'ASEAN plus one' and 'ASEAN plus three' free trade area directed by China. ...

"Regardless of whether the ten plus three or ten plus six cooperation will come to pass or not, these proposals have highlighted two problems that are difficult to overcome among the members: The first problem is about 'China being the one and only absolute power' [among the members]. ... The second is about the balance of power among the various powerful countries in the world. The East Asian area, with countries such as Japan, Taiwan, and the Philippines in particular, has always been the United States' first frontline of national defense. But the United States is excluded from the ten plus one, which China has been pushing most vigorously, and also the ten plus three or ten plus six [programs]. Washington certainly will not be happy to see Japan, Taiwan, and the Philippines become either the inner or outer circles of China's 'ten plus one' economic zone. This explains why the United States wanted to take advantage of this year's APEC meeting in Hanoi to propose the establishment of a free trade agreement among all the APEC members. ..."

